



Australian Government

SIRRM006 Plan a merchandise product range

Release: 1

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Modification History

Not applicable.

Application

This unit describes the performance outcomes, skills and knowledge required to develop a commercially viable range of retail merchandise that reflects an established merchandise category financial plan and merchandise strategy.

This unit applies to individuals working in merchandise management related roles in a diverse range of retail sectors and business contexts. They operate with independence and are responsible for making a range of operational business decisions that relate to the management of retail merchandise.

No occupational licensing, certification or specific legislative requirements apply to this unit at the time of publication.

Pre-requisite Unit

Nil

Competency Field

Merchandise Management

Unit Sector

Retail

Elements and Performance Criteria

ELEMENTS

Elements describe the essential outcomes.

1. Determine merchandise-range requirements.

PERFORMANCE CRITERIA

Performance criteria describe the performance needed to demonstrate achievement of the element.

1.1. Access and review category financial plan to determine range requirements.

1.2. Profile target market and identify relevant trends to inform range planning.

1.3. Source input from relevant stakeholders and use feedback to inform range planning.

1.4. Review product performance information and use findings

to plan range optimisation and exit strategies.

2. Generate options for merchandise range.

2.1. Generate range options that respond to target market and trend information.

2.2. Confirm commercial viability of range options to maximise profitability and minimise risk.

2.3. Determine assortment planning including core and seasonal, and width, depth and breadth, of the range.

2.4. Identify aged and carry-over stock and action strategy for clearance.

2.5. Determine range option planning for Stock Keeping Unit (SKU) requirements.

2.6. Accurately quantify product units to be ordered based on open-to-buy or space capacity method.

2.7. Review merchandise promotional plan and ensure range aligns with planned activity.

2.8. Refine range options through consultation with cross-functional teams and gain approval as required.

2.9. Document finalised range identifying key features, costs and benefits.

3. Plan merchandise range sourcing.

3.1. Determine critical path for range sourcing and distribution.

3.2. Review supplier strategy and determine range sourcing.

3.3. Brief product development teams on new range.

3.4. Identify product branding needs and develop branding strategy accordingly.

4. Purchase merchandise.

4.1. Place merchandise order with supplier and confirm delivery schedules as per agreed supplier arrangements.

4.2. Document and exchange order and invoice information according to organisational procedures.

4.3. Implement and adjust orders as required.

5. Plan range distribution.

5.1. Communicate relevant merchandise information to stores.

5.2. Determine strategy for stock allocation, replenishment and distribution based on individual store requirements.

5.3. Communicate planned merchandise ranges to relevant personnel.

Foundation Skills

Foundation skills essential to performance in this unit, but not explicit in the performance criteria, are listed here, along with a brief context statement.

SKILLS	DESCRIPTION
Numeracy skills to:	interpret key retail financial metrics contained within merchandise category plans.
Technology skills to:	access, document and communicate information using digital technologies and systems.

Unit Mapping Information

No equivalent unit.

Links

Companion Volume Implementation Guides -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=ca051b1b-5101-4ec2-ac1c-49699303188d>

Assessment Requirements for SIRRM006 Plan a merchandise product range

Modification History

Not applicable.

Performance Evidence

Evidence of the ability to complete tasks outlined in elements and performance criteria of this unit in the context of the job role, and:

- review a merchandise category financial plan to develop a merchandise range plan that includes:
 - assortment planning
 - width, depth and breadth of range
 - core and seasonal items
 - option planning
 - Stock Keeping Unit (SKU)
 - exit strategy
- the above product range must contain a minimum of 20 items
- document the above range plan to ensure it details:
 - features
 - costs
 - benefits
 - profitability
 - quantification
 - critical path
 - branding
- document a plan for range sourcing and distribution:
 - external supply arrangements
 - allocation to stores
- prepare documentation for the purchase of merchandise.

Knowledge Evidence

Demonstrated knowledge required to complete the tasks outlined in the elements and performance criteria of this unit:

- role and purpose of merchandise range planning
- strategies for:
 - maximising profitability of a product range
 - determining viability of product range

- key aspects of merchandise product range planning:
 - assortment planning
 - width, depth and breadth of range
 - core and seasonal items
 - option planning
 - Stock Keeping Unit (SKU)
 - exit strategies
- internal and external factors impacting product range planning:
 - feedback from stores
 - merchandise category buying plan
 - product performance information
 - promotional plan
 - target market profile information and how it is used in constructing the product range
 - trends in industry, and global and local trends impacting on merchandise product range
 - critical path
- common product exit strategies
- exit strategies applied to:
 - poorly performing products
 - event and promotional products
 - short-life-cycle products
- factors influencing range allocation:
 - store grading
 - climate
 - target market demographic
 - competitors
 - replenishment of core lines
 - stock turns
- supply considerations in the purchasing of merchandise
- commonly-used merchandise range planning methods and structures within the retail industry.

Assessment Conditions

Skills must be demonstrated in a retail environment. This can be:

- an industry workplace
- a simulated industry environment.

Assessment must ensure access to:

- organisational documentation:
 - category financial plan

- product range performance information
- templates for merchandise range planning
- software for merchandise range planning.

Assessors must satisfy the Standards for Registered Training Organisations' requirements for assessors, and:

- have worked in the retail industry for at least three years where they have applied the skills and knowledge within this unit of competency.

Links

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